

Minutes of the Executive Committee

June 1, 2009

Chair Dwyer called the Executive Committee meeting to order at 8:30 a.m. and led the committee in the Pledge of Allegiance.

Executive Committee Members Present:

Jim Dwyer	Dave Swan	Duane Paulson
Pat Haukohl	Tom Schellinger	
Bonnie Morris	Fritz Ruf	

Also Present:

Chief of Staff Mark Mader	Land Resources Manager Perry Lindquist
Information Technology Manager Mike Biagioli	Director of Administration Norm Cummings
Collections & Business Services Manager Sean Sander	Internal Audit Manager Lori Schubert
Treasurer Pam Reeves	Legislative Policy Advisor Dave Krahn
Register of Deeds Jim Behrend	Legislative Policy Advisor Ann Olson
Infrastructure Administrator Al Mundt	Principal Business Analyst Tony Limoni

Update on the Following Information Technology Projects

Public Safety System

Biagioli said the CAD RFP was released May 18 with proposals due July 8, 2009. Electronically submitted questions from vendors about the RFP are due June 1. Company representatives are invited to attend a meeting on June 5 where the county will answer questions submitted live and electronically. The RFP review committee members are Cindy Greco, Don Dittmar, Richard Tuma, Jean Tortomasi, Donn Hoffmann/Matt Jolly, Charlie Mayer and a member of the Police Protocols Committee. Biagioli expects nine to 17 responses. The responses will be reduced to three finalists by September. Vendors will be required to pass a benchmark test and demonstrate their systems using Waukesha County data. During the second week of November, finalists will arrange a site visit for the selection committee with a customer that uses their product and matches Waukesha County's multi-jurisdictional needs. Biagioli hopes the winner will be selected the first week of December and a contract signed by the end of 2009. Project work will begin February 2010 with activation optimistically following in six to nine months.

Paulson asked could Spillman submit a bid? Biagioli said Spillman can submit a bid if they can meet the minimum requirements. Hoffmann said Spillman has been making changes to their CAD system but it still does not meet Waukesha County's multi-jurisdictional needs. Spillman plans to do a rewrite of the system but it will not be Waukesha County's timeframe. This project will be more challenging than the first time we put in the system due to the data warehouse and various interfaces. We want to make the CAD system information available to nonparticipating agencies.

Dwyer asked if this timeline will create any additional costs to stay current with Spillman? Biagioli said there should be no extra costs because we are under maintenance agreement with Spillman but there will be personnel costs for evaluating, testing and setting up upgrades and patches. We need to continue working to keep Spillman updated. We are deferring moving to version 6.0 of the Spillman jail system until the new CAD system is in place but a major upgrade to version 4.6 will occur this fall.

Countywide Cashiering

Sander said version 6.2 version of the cashiering software was installed at the Airport, Collections, Treasurer's receiving, etc. Phase 2 will involve installation at UW-Extension, the District Attorney's Office and a few areas of Parks and Land Use relative to credit card processing in environmental health and collection areas. We will continue to work with Parks as they expand use of the system. We can delay the

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implementation of the system in HHS and Sheriff's Department. System installation in the County Clerk's Office can be delayed until their slow period in the summer. We need to focus on the tax collections system and do not want to delay installation of the new Register of Deeds system.

Reeves said the only major concern of the cashiering system at this time seems to be adding more departments. She wonders why the committee isn't talking about security controls that were requested of the vendor but not put in place. The system does not produce a log when someone is in the system, does a void or when a cash drawer is open. When is the county going to reconcile these issues? Sander said a committee of staff members identified and logged all security issues. The issues either were solved or will be part of a future release.

Ruf asked why isn't Clerk of Courts involved with the new system? Sander said they will be in the last phase because they are part of CCAP and the state's cooperation is needed.

Sander said the golf courses will be brought on eventually after some system integration issues are worked out. The ice arenas will also be brought in but the timeline is not yet known.

Hoffmann distributed a handout titled *Issues Log; Project: County Wide Cashiering Project*. He said this issues log describes all issues with any department.

Paulson asked Reeves if she is satisfied with the issues log? Reeves said some issues say closed but her staff has found that some of the issues have not been resolved. Hoffmann said the Treasurer's staff needs to report issues as soon as possible to IT so they can be resolved and the system updated.

Dwyer asked if departments receive copies of the Issues Log? Hoffmann said the log with noted changes is emailed to departments every two weeks. Dwyer asked if Mader could be included in the distribution list.

Paulson asked how does this system interact with the current golf course software? Sander said he is not aware if a post implementation analysis was completed. It will eliminate servers. Parks staff says they're disappointed with the Fairways System and want a new system to better meet their needs. The county did not keep up on the development of that software. Paulson thought the installation of Fairways was going to save \$150K. How much money was saved by implementing Fairways? Biagioli said when the cashiering system is installed, a stand-alone server will be eliminated providing a stronger golf course system that can monitor all three golf courses. The current system is good. IT will have to work with Parks to do a post Fairway analysis. Sander said a return on investment analysis is being funded by the software company.

Tax System

Hoffmann distributed and reviewed a handout titled *Project Status Report: Tax System Implementation*. He explained that the handout shows the level of required testing by members of the project team. This is a vehicle to track all project tasks including vendor issues.

Hoffmann said because of obligations implementing new systems in the Register of Deeds, Countywide Cashiering and the tax system, etc. there have been staffing delays on this project. Dwyer asked are we working on too many projects at one time? Hoffmann said lack of resources is the reason conversion is delayed in several departments. IT maintains 83 individual, county systems in addition to working on this project. Biagioli said IT has deferred some implementations in order to focus on completing other tasks.

Paulson asked what resources does IT need? Biagioli said resources were realigned. It has taken longer than expected to get it up-to-date with Wisconsin's tax standards and a lot of work is still needed. Dwyer said by the time the tax system is implemented, it will no longer be the best and brightest system available. Cummings said tax systems are a problem in all states and Wisconsin's is very different.

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Schellinger asked if IT staff would be allowed to participate in the voluntary unpaid leave initiative.

Biagioli said the department is participating. Cummings said the policy will work in IT. The salary people will have to put in more hours.

Reeves said one can say a system works but until she sees that the money is being calculated correctly, she will not be comfortable. She does not want to use the system until the security holes are fixed. Cummings said Schubert was asked to sign off on security issues. Schubert said she needs to meet with Cummings to better define his expectations of her involvement. The chart has four to five issues of great importance that need to be fixed before the project can move forward. Reeves said she would like a third party, financial audit of the system. Cummings said Virchow Kraus audits our financial systems. Dwyer said internal audit could review the security issues.

Discuss Recycling Markets and Material Recycling Facility Contract Amendment

Lindquist said last October the recycling commodity prices plummeted. Lindquist distributed two handouts: *Amendment Number 2 Waukesha County Materials Recycling Facility (MRF) Service Agreement* and *Waukesha County MRF Total Average Revenue Per Ton Shipped*. He said Waukesha County gets 50% of the revenues that come into the MRF. In November, the current operator, FCR, contacted the county nervous about plummeting revenues and a provision in the contract between FCR and Waukesha County stating there must be three consecutive months of net losses before the county share the losses. FCR then contacted Lindquist in December upset about the November numbers and asked if the agreed upon \$6.50 per ton fee could be waived. Lindquist advised FCR to come up with a proposal showing actual numbers and net losses. The resulting proposal from FCR was very complicated. After some work, the two groups came up with a mutual agreement, which is outlined in the handout titled: *Waukesha County MRF Total Average Revenue Per Ton Shipped*.

Paulson said we have borrowed money from the MRF in the past. How will that be affected? Lindquist said the MRF fund balance is \$12 million and increasing.

Discuss and Consider Update on the 2009-2010 Internal Audit Work Plan

Schubert distributed and reviewed a handout titled *Waukesha County Internal Audit Work Plan 2009 – 2010*. She said during the past year, smaller projects that required immediate attention have kept her busy and unable to work on projects in the Internal Audit Work Plan. The small projects, which included Register of Deeds land records system RFP, cashiering report, cashiering receipt procedures, etc., were important but did not require formal audit reports. She is currently conducting research for the involved and sensitive contracted IT audit, which will audit IT risk and network security. Fieldwork for the IT audit is expected to be finished by the end of August with the report to follow thereafter. Waukesha County is getting good information from the audit.

Dwyer said when the County Board office was asked to provide a staff person for the countywide cashiering RFP he thought it was important for Schubert to participate from the beginning to save time and money down the road. Schubert's expertise provides the standards and controls these types of projects require to be successful.

Schubert continued to review the audit work plan. She said the cashiering system audit, which was recently added to the work plan, is going to be very different. She will audit each department as the system is installed and write one report at the end of the project. Issues will be identified and addressed as necessary. For the contracted HHS Avatar audit, she will do the audit prep work revealing what needs to be reviewed and where efforts should be spent, followed by helping purchasing write the RFP.

Haukohl said she is concerned that Schubert is not getting the assistance she needs. Wouldn't it be better to have two people working in Internal Audit or hiring an assistant for Schubert? Schubert is doing the major

work on the audits and having someone to do the grunt work would really help. Schubert said there are projects on the audit work plan that could be done in-house but with one staff person, it is impossible. Dwyer said we are contracting out audits featuring skill areas that Schubert does not have. Being an expert in all areas is difficult. The county is getting a better product from vendors with Schubert helping. Paulson said he likes the idea of contracting for specialized work.

Schubert said she would modify the schedule if the committee wants her involved with the new tax system. The new system may not fit exactly the way we currently do business so we may have to change the way we do business. Unless you write the system, you might not get exactly what you want. Haukohl said it might be worth it to look at the tax system. Schubert said she could meet with Reeves to discuss Reeves' concerns. The committee agreed that Schubert should talk to Reeves, IT and other staff about tax system issues. Ruf recommended that Schubert work closely with Reeves if an audit is scoped to make sure it fits what Reeves is requesting.

Discuss and Consider Proposed Audit Scope for Cashiering Audit

Schubert said the proposed scope of the audit will be to review the internal controls surrounding cash receipting and deposit functions within each department as related to the new cashiering system. The goals of the audit will be to review procedures to ensure adequate internal controls over receipting in all county departments that install the new cashiering system and to review system controls within the cashiering system as it is implemented. The review will not include county departments and areas that are not affected by the installation.

MOTION: Haukohl moved, Morris second, to approve the proposed audit scope for the cashiering audit. Motion carried 7-0.

Discuss and Consider Proposed Audit Scope for CDBG Audit

Schubert said the proposed scope of the audit will be to perform an operational audit of the Community Development programs including review of program oversight as administered by third parties. The audit will not include review of the programs, which would be a separate audit.

Haukohl said vendors/agencies budgets should be studied by the CDBG Committee or Lewinski. She would like to know if vendors are finishing their projects in a timely fashion. Schubert said she wants to see how Glen Lewinski and the communities handle project oversight.

Paulson said the HOME Board was recently audited by HUD. Why does it need to be audited again? Schubert said she would be looking at Lewinski's interaction with the HOME and CDBG Boards.

MOTION: Morris moved, Paulson second, to approve the proposed audit scope for the CDBG audit. Motion carried 7-0.

Discuss and Consider Audit Scope for DHHS Billing System Audit

Schubert said the proposed scope of the DHHS billing system audit will review the internal controls systems surrounding the Avatar system and evaluate the efficiency and effectiveness of the DHHS billing system. This audit will be contracted out.

MOTION: Haukohl moved, Paulson second, to approve the audit scope for the DHHS billing system audit.

Schellinger asked how long will it take to complete the audit? Schubert said the length of time will be part of the proposal. She prefers to keep the timing open which allows the company working on the project more flexibility. They will select a contract if it costs less to get it done within a certain amount of time.

Motion carried 7-0.

Correspondence

Dwyer distributed and reviewed the list of correspondence. Supervisors may request copies of listed items from Jicha.

Approve Minutes of May 11, 2009

MOTION: Paulson moved, Swan second, to approve the minutes of May 11, 2009. Motion carried 7-0.

Meeting Approval

MOTION: Morris moved, Ruf second, to approve attendance of the Executive Committee at WCA's seminar: Energy Independent Communities second quarterly meeting on June 29, 2009 in Stevens Point, WI. Motion carried: 7-0.

Legislative Update

Krahn said the Joint Finance Committee eliminated the 911-service fund. A 75¢ service fee will be added to all phone lines with funds going to a newly created Police and Fire Protection Fund. The fee is estimated to bring in revenues of \$100 million over a two-year period. The Department of Revenue will determine how this shared revenue is distributed.

Krahn said budget cuts for Waukesha County's HHS will not be as high as the original \$2.5 million that was proposed by the governor. Waukesha County will get some help through federal stimulus funds via the American Recovery and Reinvestment Act. The Courts will have a 1% cut in the Circuit Court Support Grant but more money will be received in Victim Witness. The governor wants to reduce the cost of incarceration of state prisoners by implementing early, earned release measures and programming. The State Public Defenders' indigency rate will be increased to 115% of the federal poverty rate in 2012. Recycling tipping fees will increase \$1 per ton now and \$2 per ton in October. The solid waste tipping fee will increase from \$5.90 to \$13. Transportation will get a 2% increase in the first year and a 3% increase in the second year while Elderly and Disabled Funding will increase 2.2% the first year and 3.25% the second. More details will be forthcoming when staff has a chance to analyze the JFC changes to the budget.

Committee Reports by Committee Chairs for the Following Meetings:

May 19, 2009 – Land Use – Ruf said the committee approved ordinances that have since been approved by the county board.

May 28, 2009 – HHS – Paulson said this was a joint meeting of the HHS board and committee. The committee accepted the 2008 Veterans' Services Department annual report and discussed funding for hospitals to continue immunization clinics.

May 20, 2009 – Finance – Haukohl said the committee approved ordinances and resolutions that were approved by the county board. They also approved the contract procurement process for Transit Administration Services and two fund transfers for Public Health. They also heard reports on the following: Energy Efficiency Conservation Block Grant, special revenue funds and first quarter investments.

May 15, 2009 – Judiciary – Morris said the committee heard presentations on the following topics: municipal inmates in the Waukesha County Jail, WCSs Day Reporting and Alcohol Treatment Court Programs, the 2008 annual jury report, and departmental status and first-quarter budget updates for Circuit Court Services.

May 14, 2009 – Public Works – Swan said the committee approved bids for the Menomonee Park maintenance building, heard a financial and statistical report on the Waukesha County Transit System, discussed Parks and Land Use and Public Works Departments coordination and the American Recover and

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Reinvestment Act Fund for Public Works projects. Lastly, the committee heard an update on the Energy Efficiency Conservation Block Grant.

May 19, 2009 – Personnel – Schellinger said the committee approved the County Clerk's 2008 annual report and heard a report on the County's Clerk's 2008 year-end budget and 2009-budget progress. The committee also approved an ordinance creating a Workforce Development Center Coordinator and a resolution supporting Waukesha County's 2009 voluntary unpaid leave program.

Update on the Following Information Technology Projects

Infrastructure Update

The committee toured the computer room.

MOTION: Swan moved, Haukohl second, to adjourn the meeting at 12:12 p.m. Motion carried 7-0.

Respectfully submitted,

Bonnie J. Morris
Secretary